leased out for cultivation. A reasonable rate of interest can be realised out of this investment. I therefore recommend that a Board may be constituted to enquire and see which all places can be bunded up likewise. I move this Resolution for the acceptance of the House.

Mr. A. V. Moothedan.—I second the resolution.

Mr. K. Achyuta Menon.—Mr. President, Sir, merely for the purpose stated here, I am afraid there may not be any necessity for this. Most elaborate rules have been laid down by the Government in the Land Revenue Manual for the reclamation or otherwise bunding up the areas in question. I am sure if at the proper time and in the proper manner representations are received by the Government for bunding up areas either by the Government or by private parties which could be demonstrated to be successful, the Government will be prepared to consider the matter in all its aspects. For the purpose of realising this a Conservancy Board may not be the proper instrument. Even now such things can be placed before the Government, through the advisory bodies which have been formed. Any such matter will come to the notice of the Government by the agency of that Board. I am sure the Hon'ble Member will realise the point and will withdraw the resolution because really there is no difference of opinion between us. The ouly question is whether there is any necessity for another Board when there is already an Advisory Board to instruct the Government.

Mr. George Parakkal.—The purpose for which I tabled this motion was this. Mr. T. K. Sankara Menon has pointed out in his Economic Survey Report for the Nayarambalam village that if certain areas were bunded up it would give facilities for paddy cultivation which is the prime industry of the people. Although the report was before the Government for the last two years they have done nothing up to now. If they are prepared to take action, I do not want to press this resolution.

Resolution was, by leave, withdrawn.

31. Commutation of Pensions.

Mr. A. Narayana Menon.—"*This Council recommends to the Government of Cochin to amend the Cochin Service Regulation in such a way as to enable pensioners on the production of satisfactory medical certificate to commute half or any smaller portion of their legitimate monthly pensions and to entitle them to draw the commuted sums in lieu of the said portion of their pensions*".

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Sir, I do not think there is any necessity for me to make a long speech on this resolution. The practice of commutation is in vogue in British India. The necessity for this becomes all the more prominent in the case of low-paid officers who serve in towns like Ernakulam and Trichur and other costly places. On their retirement when they go home, we find that in the majority of cases, they return home as mere paupers. Whatever they earn when in actual service of the State, they have to spend in the town. It is not therefore possible for them to put by anything. In the majority of low paid officers we find that they do not even possess a homestead even after serving the State for so many years. Their burden is made all the more heavy by the fact that they have to look after half a dozen children and other dependants. I therefore think that it is absolutely necessary to make some such provision in the Service Regulations so that poor paid officers may be enabled to get a lump sum on their retirement which will help them at least to buy a house and compound to live in. I do not think that I need speak further on the resolution. I commend this for the acceptance of the House.

Mr. Popatlal Goverdhan Lalan.—I second it.

Mr. A. V. Moothedan.—What is the practice in British India?

Mr. A. Narayana Menon.—In British India I understand it is one fourth of the officer's pension that is allowed to be commuted.

Mr. A. V. Mootheden.—Is it one fourth of the monthly salary that he gets that is allowed to be commuted?

Mr. A. Narayana Menon.—I understand it is one fourth of the monthly pension that he gets that is allowed to be commuted.

When an officer retires on pension he is entitled to get in the ordinary course only one half of his monthly salary. Instead of that he is allowed to commute one fourth or one third of his pension so that he gets a lump sum; by this the Government help him to make some provision for at least a house and compound.

Mr. P. V. Subramania Ayyar.—Sir, I fully sympathise with the mover of the resolution for making such a provision in the Cochin Service Regulations. But the difficulty is to find out the wherewithal to bring into practice the effect of such a provision. In the first place, in respect of pensioners of salaries of Rs. 50 and below whether the pension is sufficient enough to maintain the pensioner and half a dozen children is a point for

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investigation. To set apart a portion of the amount of pension by way of commuting the same into what is called a lump sum will scarcely leave any balance for him to maintain his family. Therefore, from the point of utility of bringing into effect the provision, it is doubtful whether the amount which would be available by commutation would be sufficient to procure a house for the officer. For instance a man retiring on Rs. 50 will ordinarily get Rs. 25 as pension and if the portion of the pension that is proposed to be commuted is one fourth that is Rs. six and one fourth, he will get at the utmost according to the actuarial calculation only Rs. 600 in a lump sum. For the purpose of commuting pension it is generally put down that the pensioner will live up to 90. It is on this basis that I calculated 100 rupees per rupee. This is the calculation that is adopted in British India. The utility of such a thing is doubtful in the case of low salaried officers. So long as it is not the proposition to extend this system to highly paid officers I do not want to dilate upon it. In the case of highly paid officers it is impossible for the Government to find the wherewithal to pay them. If a man is getting Rs. 200 as pension and if one fourth of it is commuted he may have to be paid Rs. 5000. At a time when the Government are going in for loans for conducting the ordinary nation building purposes, whether the Government will be able to make provision for such things is very doubtful. I do not think Government will be in a position to accept the resolution.

Mr. President.—Is there not a compulsory provident fund scheme in which the Government will also make an equal contribution under consideration?

Mr. P. V. Subramania Ayyar.—We have got a system of provident fund now but Government are not contributing anything. But in view of the system that is prevalent in British India Government have under contemplation a scheme of contributory system of provident fund. But it is still under consideration.

Mr. A. Narayana Menon.—Sir, the reply given by the Finance Member will show that there is sufficient room for hope. The last remark that the Provident Fund rules will be so amended as to make it obligatory for the Government to contribute their mite to the money that is contributed by the officers concerned gives me hope. If to this they also introduce the compound interest system that is prevalent in British India, I think the necessity for such a resolution may not arise. In view of this fact I beg leave of the House to withdraw the resolution.

Resolution was, by leave, withdrawn.

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